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Q3 2024 Results | Presentation

Per Ottosson | CEO
Fredrik Törgren | CFO

Thursday, October 24, 2024



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Presenters



Per Ottosson | CEO

Has +25 years of experience from leading positions in the software and SaaS industry
Most recently spent 10 years with IPSoft (Amelia) - US based vendor of enterprise AI solutions - as Chief Revenue Officer
M.Sc. Business & Administration, Stockholm School of Economics



Fredrik Törgren | CFO

Various CFO & Finance roles in large corporates and in Private Equity-backed Technology and SaaS companies
Former Investment Banking experience with Handelsbanken Capital Markets and Pareto Securities.
M.Sc. Business & Administration, Stockholm School of Economics

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Business Update

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Q3 2024 Highlights for Sweden's Only Publicly traded AI company

- Record Quarter **90%** revenue growth Y-O-Y
- **3** new customers so far this year
- Closing on **Partners** to cover larger part of TAM
- Tremendous growth in Traffic is 700 million API calls a Swedish Record?

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MedHelp

HEALTHFLEXX
TRANSFORMING HEALTH AND WELLNESS

Telefónica

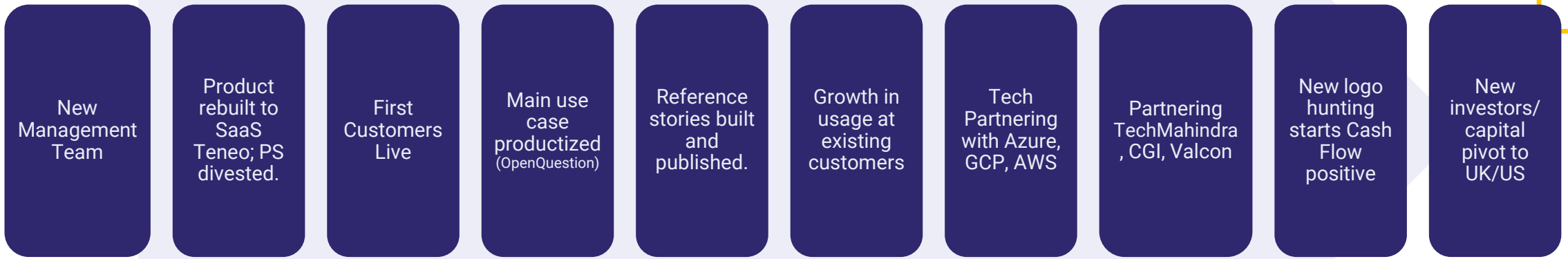
swisscom

CIRCLE K

HRSA
Health Resources & Services Administration

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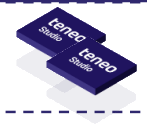
The SaaS Journey

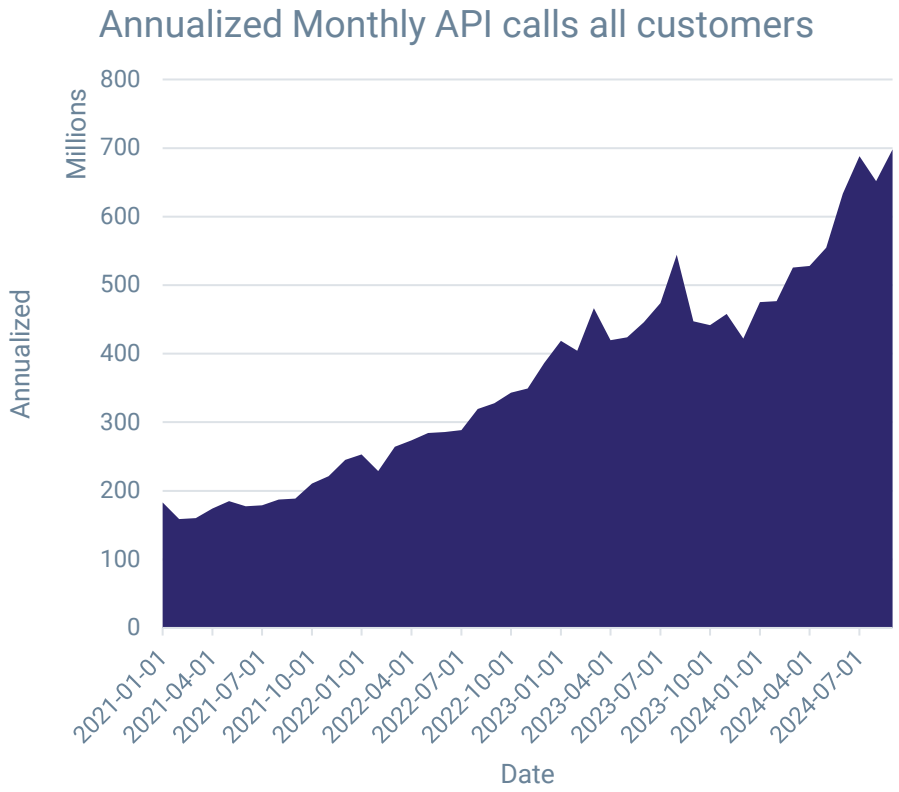


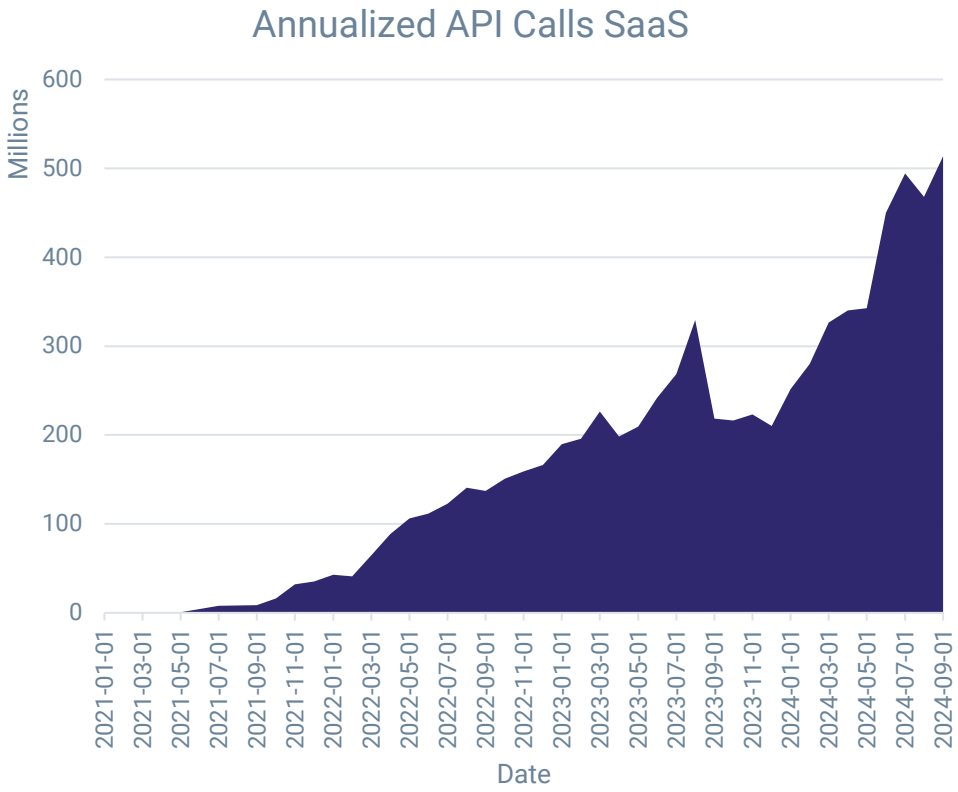
2021 | **2022** | **2023** | **2024**

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The Road to a Billion

Revenue stream	Subscription (Studio)	API calls (Engine)
Source		
Price	EUR 10,000 /mo for 5 seats	0.009 USD per API Call[1]
Type	Recurring	Recurring







ACC-elerate

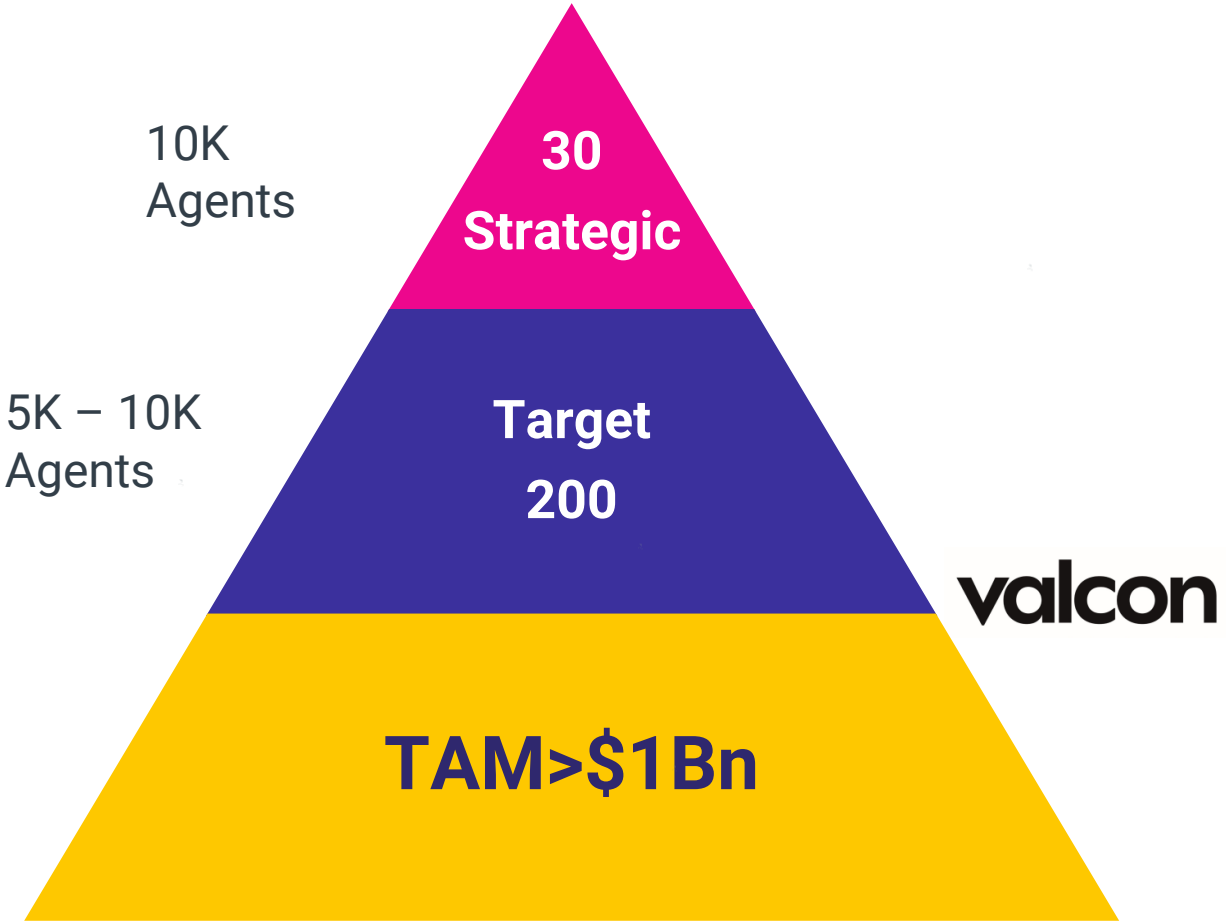
teneo.ai is born.

We are the company that will power the first *Agentless Contact Center* in a top 500 Enterprise.

Our customers are sophisticated buyers that understand the powers and pitfalls of modern AI and the need for a platform that helps to mitigate the risks while harnessing the power.

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Accounts & Coverage



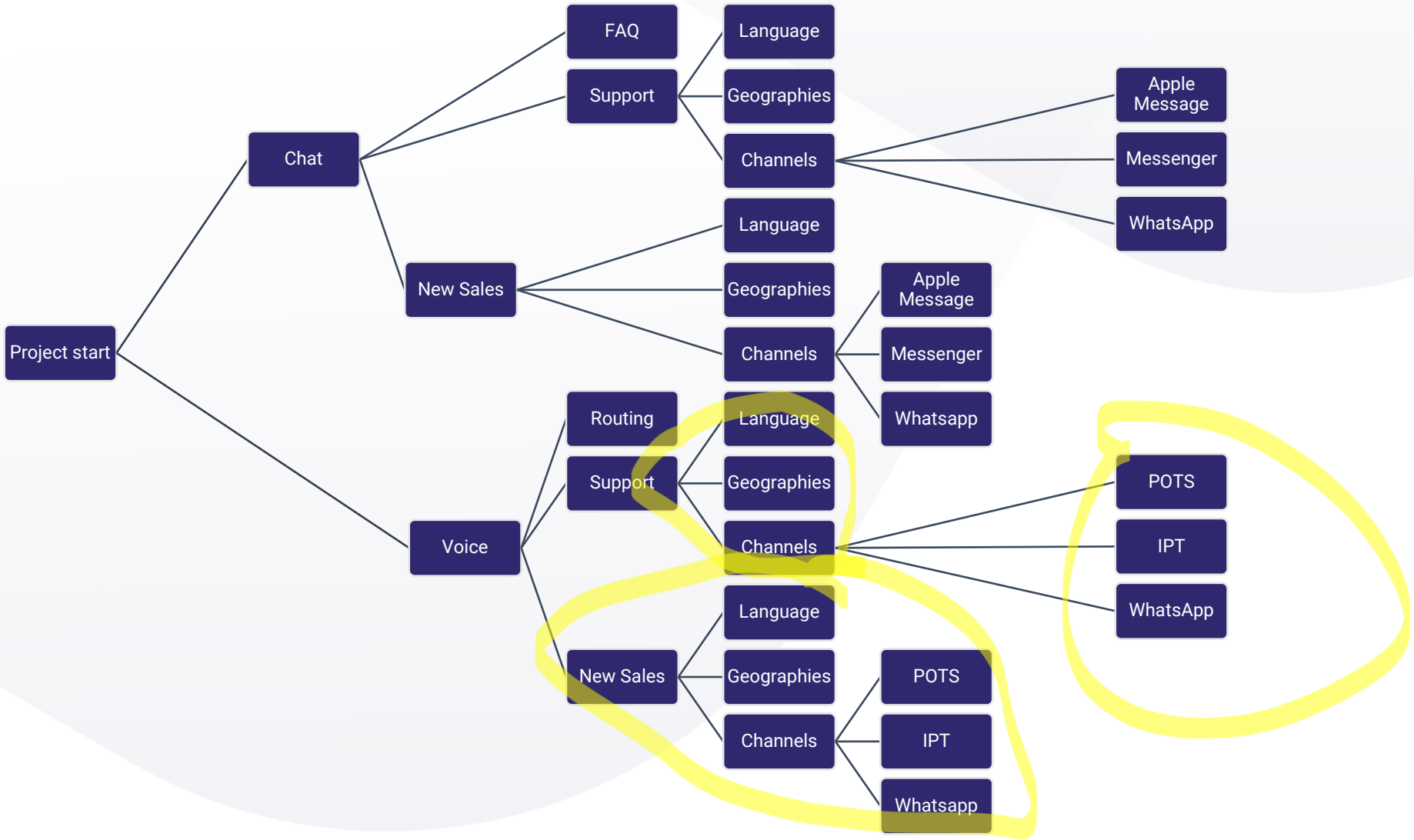
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- The largest Contact Centers in the World
- Direct focus
- ABM Campaigns
- Wide Contacts

- 50 per Account Director – nursery for future SA
- Marketing = Campaigns
- Lead management with Partners
- Website to support Buyer Journey

- Channels Instrumental – Three new needed in Q4
- Our verticals, 500 Agents and above
- Marketing = Campaigns
- Targeted Campaigns like Nuance Replacement

Volume Growth



0% --10%--20%--30%--40%--50%--60%--70%--80%--90%--100%

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ANSWERS. UNDERSTANDS. RESOLVE.



~~40~~ 60%

of cases
automatically resolved

$0.4

+

GATHERS INFO. AVOIDS MISROUTINGS



40%

of cases transferred to the right
agent with all background

$6.0

=

ENHANCED CUSTOMER EXPERIENCES



100%

Happier
customers!

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Accuracy Is THE Reason

BANKING77

Platform	F1
Teneo	0.95
Amazon Lex	0.89
Cognigy	0.80
Microsoft CLU	0.70
IBM Watson	0.81
Google DialogFlow	0.74



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Financials

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Q3 2024

Operations & Numbers

+127%
NRR in Q3 2024

84M
SEK ARR in Q3 2024

+81%
Growth in SaaS API Calls YoY

1.6BSEK
Valuation Patents & IP Rights

79%
Gross Margin

+90%
Revenue Growth SaaS API Calls YoY



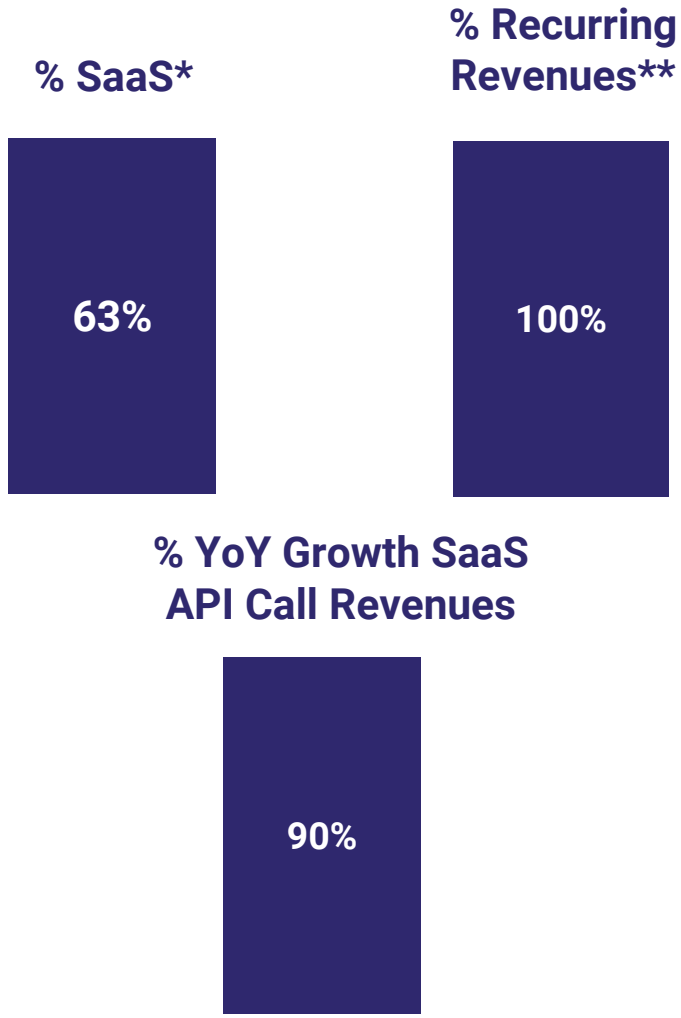
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Key Financial Highlights In Q3 2024

GROWTH IN ALL THE METRICS

Key Metrics

- SaaS API Call revenues amounted to 9.3 (4.9) MSEK, +90%
- SaaS ARR amounted to 54.3 (34.4) MSEK, + 58%
- Recurring revenues amounted to 21.1 MSEK (16.2), +30%
- Total ARR amounted to 84.3 MSEK (65.0), +29%
- Net Revenue Retention 127% (146)
- Net sales amounted to 21.2 MSEK (16.4), + 29%
- Gross margin amounted to 79% (63)
- EBITDA adjusted amounted to -5.9 MSEK (-13.0)
- Monthly adj. OPEX -9.7 MSEK (-9.1 MSEK)
- Cash position : 31.5 MSEK (37 MSEK Adj.)



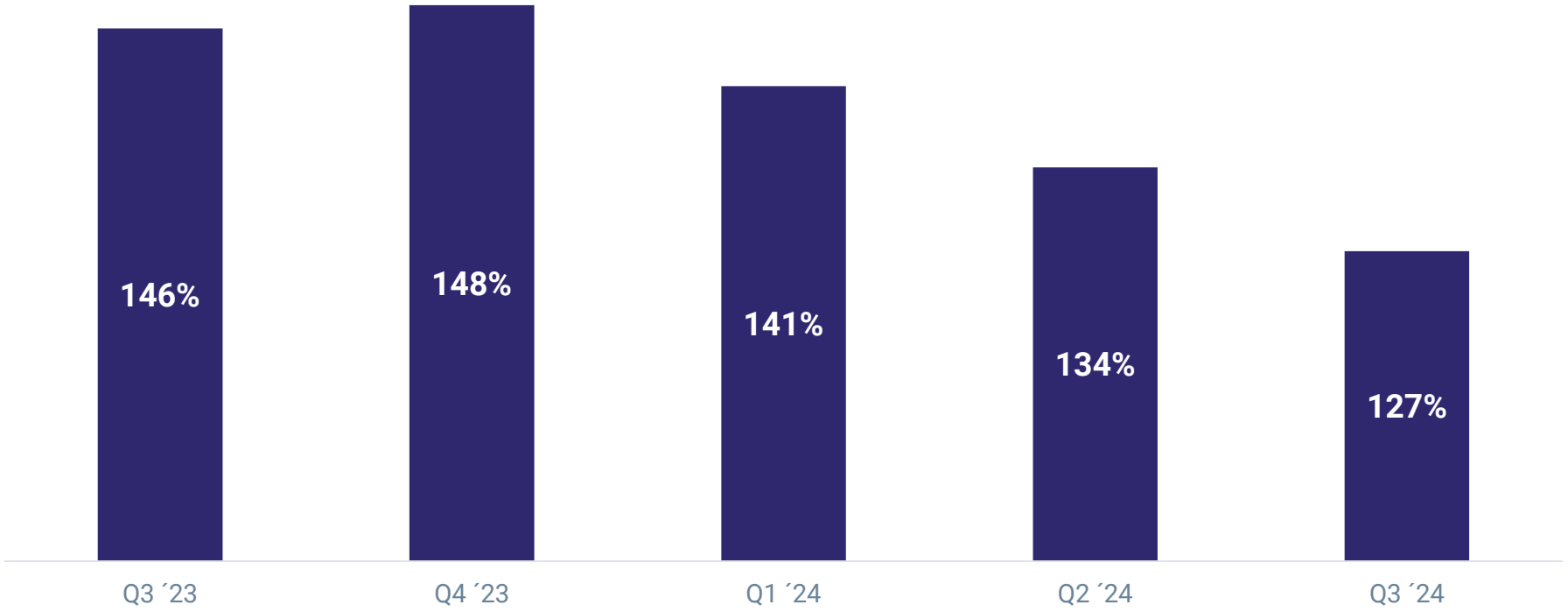
** SaaS Recurring Revenues as % of Total Recurring Revenues.*
*** % Recurring Revenues as % of Total Net Sales.*

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Net Revenue Retention

STRONG +127%

NRR (%) – Driven by Growth in Existing Accounts



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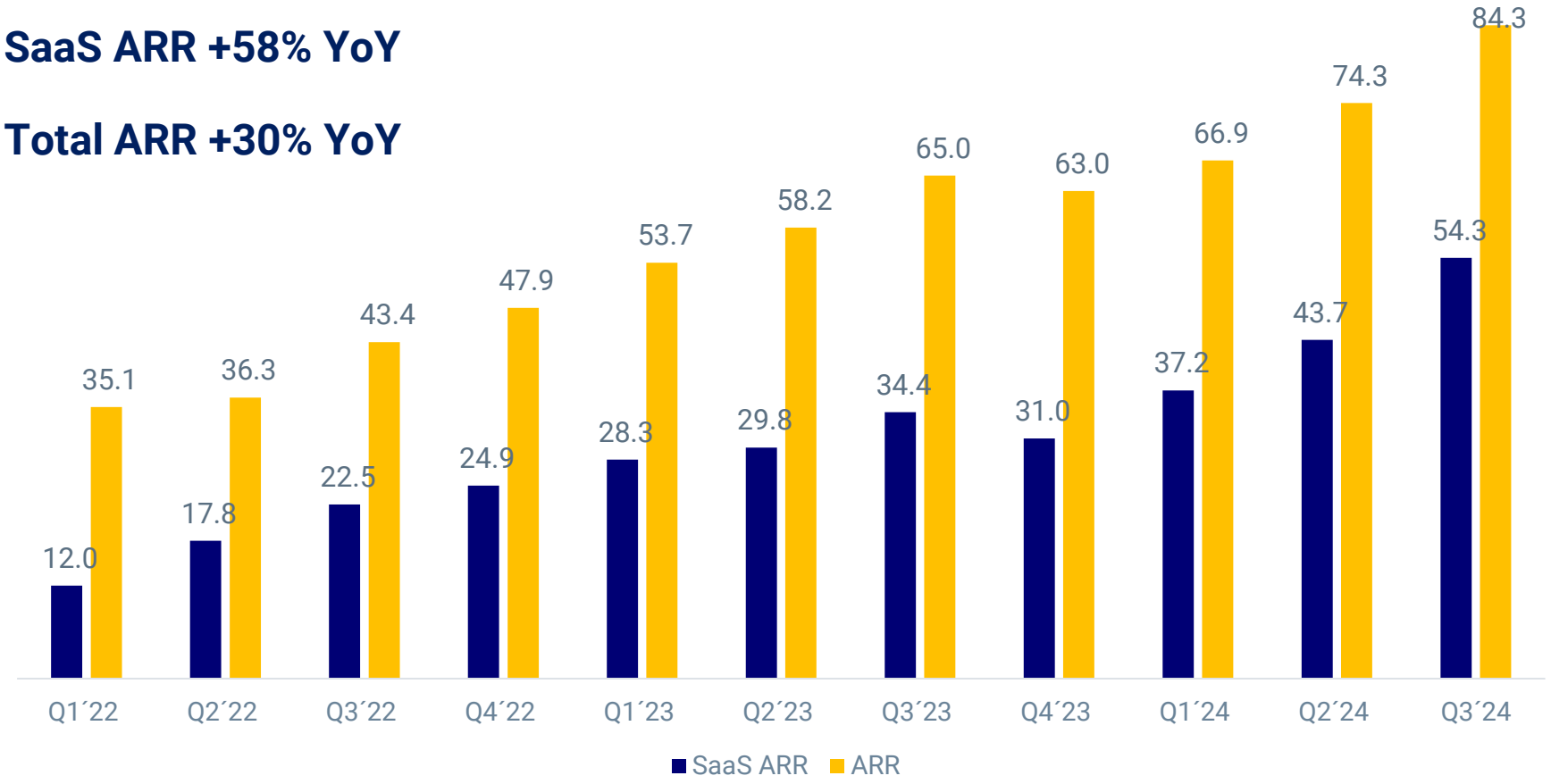
ARR Growth

AVERAGE ARR – OUR WAY TO MEASURE

SaaS and Total ARR Quarterly Average (MSEK) + 58% SaaS YoY

SaaS ARR +58% YoY

Total ARR +30% YoY

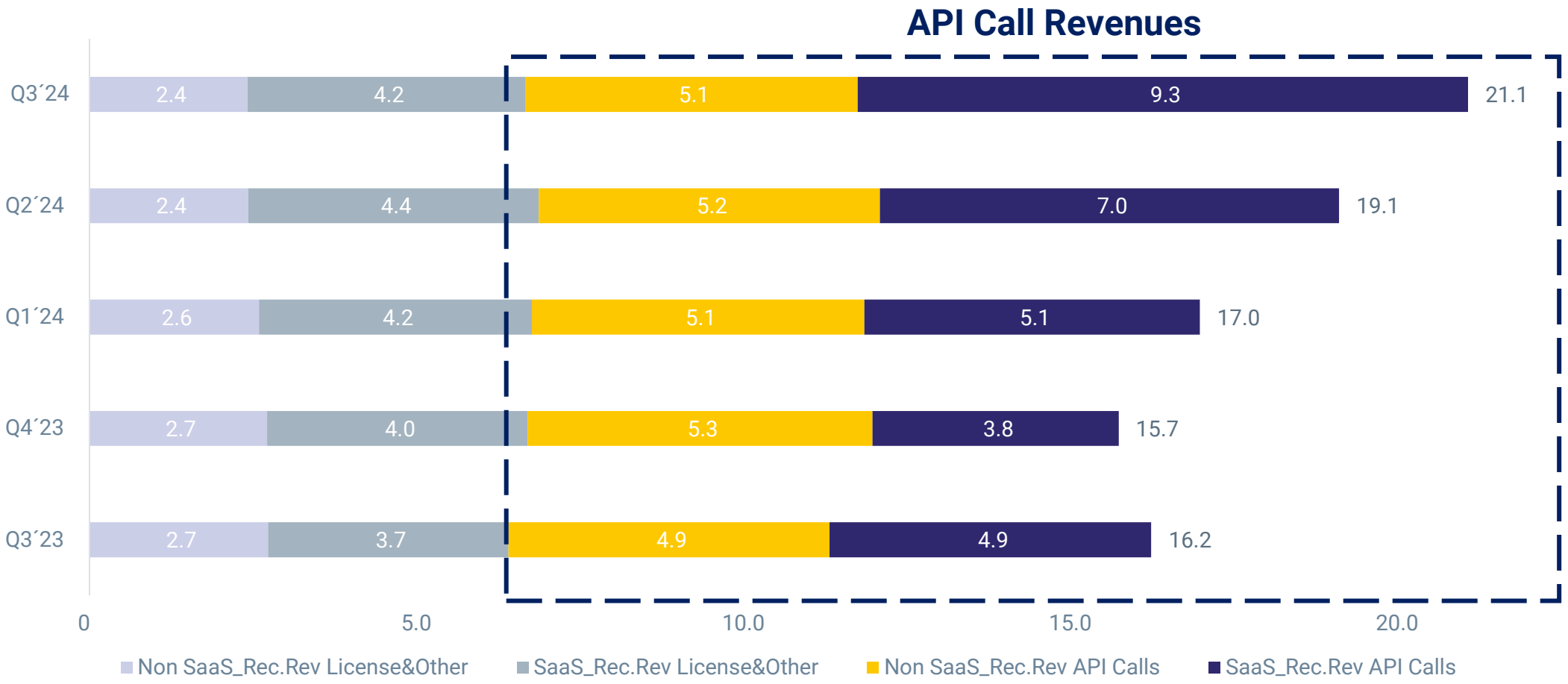


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API Calls driver of Revenue Growth

Record Quarter on SaaS API Calls Revenues

Recurring Revenues by Type (MSEK)



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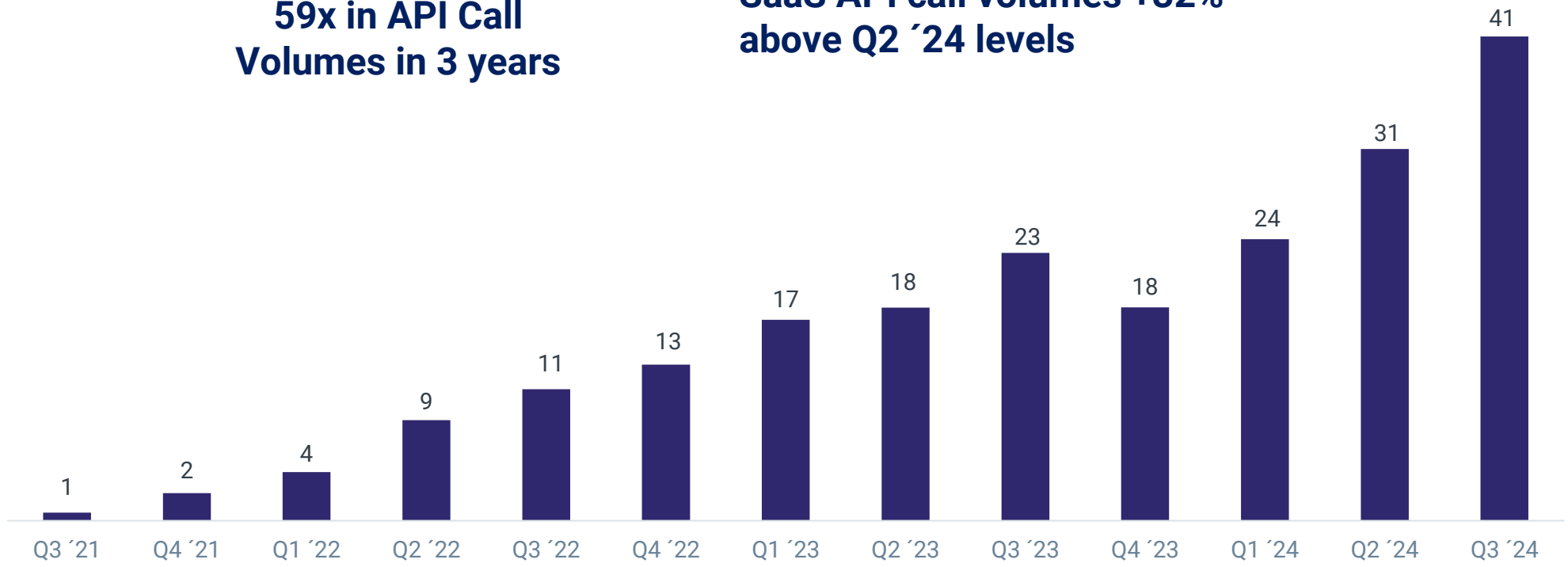
SAAS Business Model Growth

SAAS API CALL VOLUMES - UP YoY

SaaS API Calls Quarterly Average (million) + 81% YoY

59x in API Call Volumes in 3 years

SaaS API call volumes +32% above Q2 ´24 levels



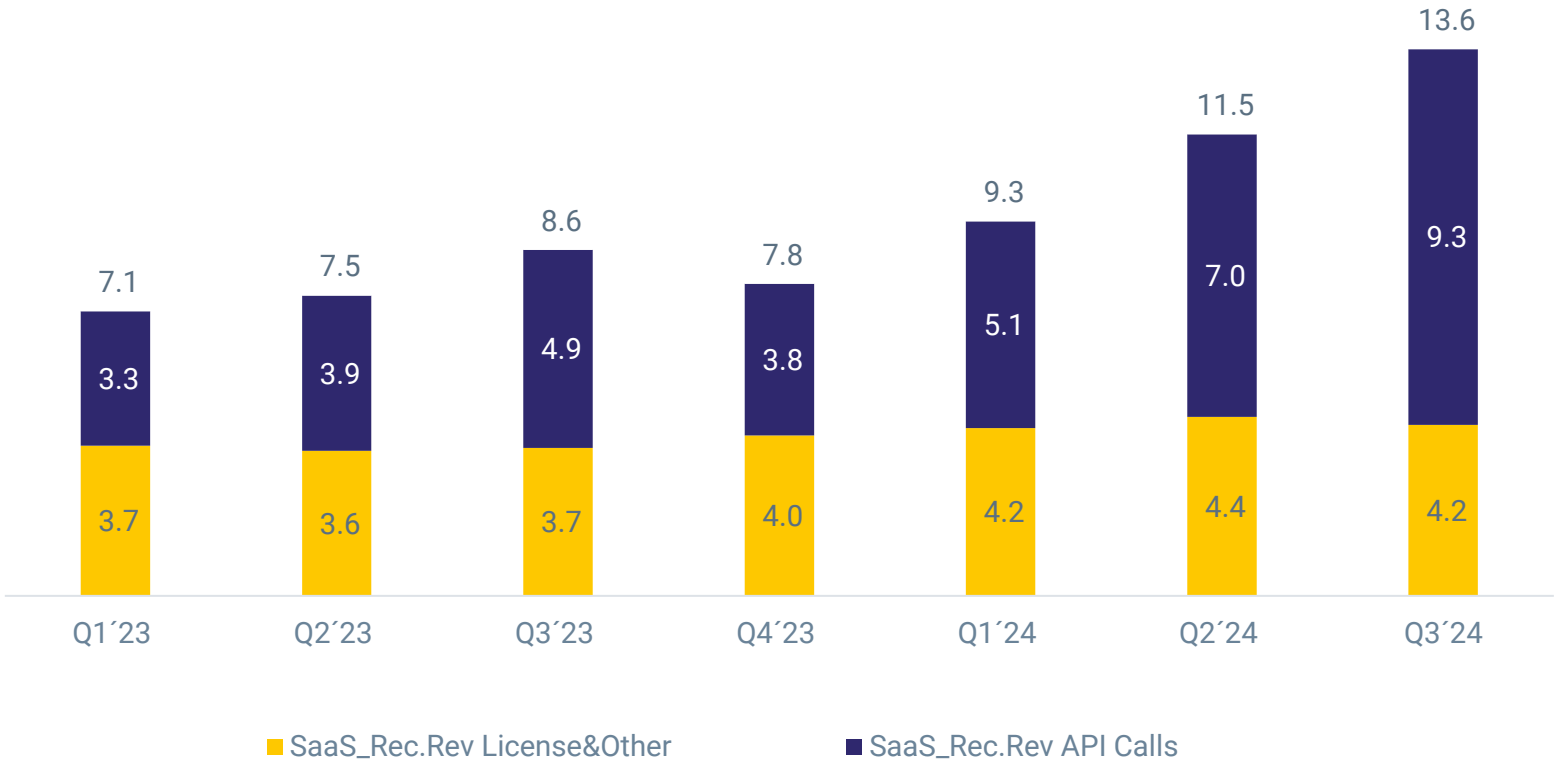
*API Calls Active Customers

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API Calls driver of Revenue Growth

Growth on API Calls as key driver

SaaS Revenue from API Calls YoY +90%



Total +58% YoY

API Calls +90% YoY

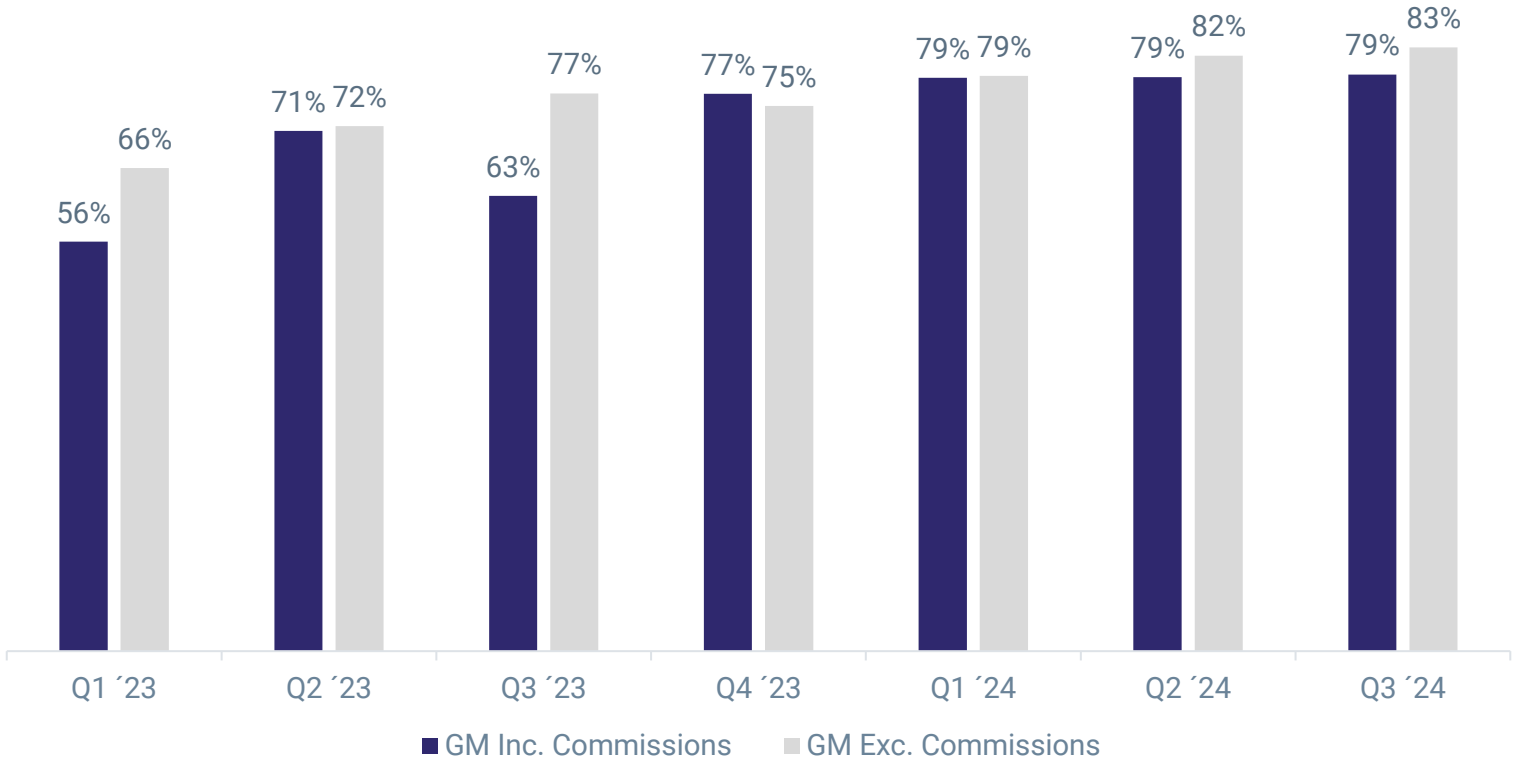
Other SaaS Revenues +15% YoY

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Gross Margin Growth

+16 % units Q3 2023

Improved Gross Margin % with Higher API Call Volumes

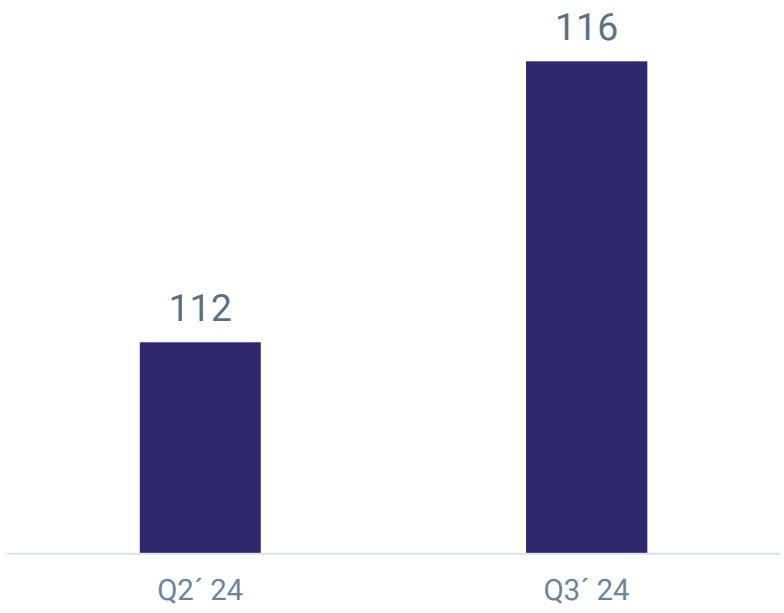


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OPEX RunRate Q3 2024

Costs Increased as announced

Annual OPEX Run Rate* MSEK



* OPEX adjusted for non-recurring items and cost of sales

- Monthly OPEX(*) in Q3 2024 of 9.7 MSEK
- Increase in OPEX started in Q2 2024 due to increased investments in marketing & sales – as guided for in Q2 2024
- OPEX(*) run rate of 116 MSEK in Q3 2024, **slight** increase next quarter
- Making organization fit to go to market strategy caused one-off personnel costs of 7.1 MSEK in Q3 2024
- Costs for staff leaving will be used for reinvestment in marketing & sales in Q3 and onwards

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CASH POSITION
CASH ADJUSTED

Cash Position Sep 30, 2024 – Adjusted



- Sep 30, 2024, cash and bank position amounted to 31.5 MSEK
- Adjustments following the quarter end:
  - Cash received from collected ARs in October of 5.3 MSEK
- Adjusted cash & bank position would have amounted to **approximately 37 MSEK**

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Q3 2024 Operational Highlights

- **Keep surpassing Record-Breaking Quarters** – +90% YoY growth in SaaS API call revenues and +58% SaaS ARR growth
- SaaS API Volumes - up **59x** last 3 years
- **1 new logo** win in Q3 24 – **Valcon (OEM)**
- **Renewal** agreement with a large Swedish food grocery chain
- New company name is **Teneo.ai** and new stock ticker is **TENEO**
- **Teneo.ai** unveils groundbreaking LLM orchestration solution for customer service automation
- **Teneo.ai** successfully completed full ISO certification cycle

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Thank You!

Per Ottosson | CEO

Fredrik Törgren | CFO